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# Iraq

## Status Report

September 16, 2009



Bureau of Near Eastern Affairs  
U.S. Department of State

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## HIGHLIGHTS



- **Deputy Minister of Transport, Adnan al-Obaidi, Arrested on Corruption Charges (POLITICAL, page 4).**
- **Untendered Oilfields from the First Bid Round May Be Offered Again (*ECONOMIC*, page 10).**
- **Vice President Biden Visits Iraq (DIPLOMATIC, page 17).**
- **U.S. Air Force Team to Assess the Future of Iraqi Air (*SECURITY*, page 19).**

## POLITICAL - Governance & Legislation



### Deputy Minister of Transport arrested in move to curb corruption

#### Iraqi Deputy Minister Arrested on Corruption Charges:

- The Iraqi Integrity Commission announced that Iraq's Deputy Minister of Transport, Adnan al-Obaidi, had been arrested after investigators recorded him accepting a \$100,000 bribe. Prime Minister Nouri al-Maliki reportedly supported the move. The commission acknowledged this was the first time a high-level Iraqi official was caught while taking a bribe. Aqeel Kawthar, a spokesman for the Ministry of Transport, stated that the arrest came as a surprise to the ministry as there were no prior indications that al-Obaidi was involved in such activities. However, he acknowledged that the Ministry of Transport "supports and congratulates" the Integrity Commission's work. The investigation began when a foreign security firm approached the commission and alleged that al-Obaidi had asked for a \$500,000 bribe to renew the firm's contract.

## POLITICAL - Governance & Legislation



### Deputy Minister of Transport arrested in move to curb corruption

#### Draft Elections Law Approved by Cabinet:

- In preparation for the 2010 national elections, the Iraqi cabinet approved a modified version of the 2005 national elections law September 12. The draft legislation would permit an open list system, allowing voters to select individual candidates, instead of the closed list system used in the 2005 national elections. The open list system provides more choices to the voter. Additional amendments to the draft elections law would increase the seats in parliament from 275 to 310 and would also guarantee a specific number of seats to identified minority groups, including a quarter of the overall seats to women. The draft law will now be submitted to the 275-member Iraqi parliament for discussion.



# POLITICAL – Government of Iraq

Coalition Affiliation (at time of appointment)
United Iraq Alliance
Kurdistani Alliance
Iraqi Accord Front
Iraqi National List
Other / Independent

(F) = Female  
 \*\*\*Formerly Iraqiya

**Prime Minister**  
 Nuri Kamil al-Maliki

**President**  
 Jalal Talabani  
**Deputy President**  
 Tariq al-Hashimi  
**Deputy President**  
 Adil Abd al-Mahdi

**Deputy Prime Minister**  
 Rafi Hiad Jiad al-Issawi

**Deputy Prime Minister**  
 Dr. Barham Ahmed Salih

**Minister of Agriculture**  
 Vacant

**Minister of Communications**  
 Faruq Abd al-Qadir Abd al-Rahman

**Minister of Culture**  
 Mahir Dilli Ibrahim al-Hadithi

**Minister of Defense**  
 Abd al-Qadr al-Mufriji

**Minister of Displacement & Migration**  
 Dr. Abd al-Samad Rahman Sultan

**Minister of Electricity**  
 Dr. Karim Wahid al-Hasan

**Minister of Education**  
 Dr. Khudayr Mousa Jaffar al-Khuzai

**Minister of Environment**  
 Dr. Nermin Othman Hassan (F)

**Minister of Finance**  
 Bayan Jabr

**Minister of Foreign Affairs**  
 Hoshiyar Mahmud Zebari

**Minister of Health**  
 Dr. Salih Mahdi Mutlab al-Hasnawi

**Minister of Higher Education and Scientific Research**  
 Abid Dhiyab al-Ujayli

**Minister of Human Rights**  
 Eng. Wijdan Mikhail Salim (F)

**Minister of Industry & Minerals**  
 Fawzi Fransu Hariri

**Minister of Interior**  
 Jawad Kadhum Eidan al-Bulani

**Minister of Justice**  
 Dara Nur al-Din

**Minister of Housing & Construction**  
 Bayan Dizayee (F)

**Minister of Labor & Social Affairs**  
 Eng. Mahmud Muhammad Jawad al-Radi

**Minister of Oil**  
 Dr. Husayn Ibrahim al-Shahrastani

**Minister of Planning**  
 Ali Ghalib Baban

**Minister of Trade**  
 Vacant

**Minister of Science & Technology**  
 Dr. Raid Jahid Fahmi

**Minister of Municipalities & Public Works**  
 Riyadh Abd al-Hamza Gharib

**Minister of Transportation**  
 Amir Abd al-Jabar Ismail

**Minister of Water Resources**  
 Dr. Abd al-Latif Jamal Rashid

**Minister of Youth & Sports**  
 Eng. Jasim Muhammad Jaffar

**Minister of State for Civil Society Affairs**  
 Dr. Thamir Jafar al-Zubaidi

**Minister of State for National Dialogue**  
 Dr. Akram Mousa Hadi al-Hakim

**Minister of State for National Security**  
 Eng. Shirwan Kamil al-Waili

**Minister of State for Foreign Affairs**  
 Dr. Muhammad Munajjid Aifan al-Dulaymi

**Minister of State for Provinces Affairs**  
 Dr. Khulud Sami Izzara al-Majun (F)

**Minister of State for Tourism and Antiquities**  
 Dr. Qahtan Abbas Numanal-Jabburi

**Minister of State for Women's Affairs**  
 Dr. Khulud Sami Izzara al-Majun (F), Acting

**Minister of State for CoR Affairs**  
 Safa al-Din Muhammad al-Safi

**Minister of State at Large**  
 Muhammad Abbas Muhammad al-Uraybi

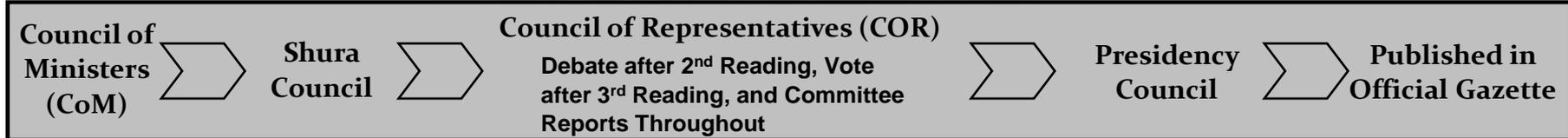
**Minister of State at Large**  
 Ali Muhammad Ahmad

**Minister of State at Large**  
 Hasan Radhi Kazim al-Sari

## POLITICAL – Key Legislative Issues



### Legislative Process



- **Hydrocarbons Package:** The Framework Law was resubmitted to the Oil and Gas Committee on October 26, 2008 and then returned to the Council of Ministers. There has been no progress on the other three laws in the package.
- **NGO Law:** This law will regulate the operations and funding of Non-Governmental Organizations operating within Iraq. It received its first reading in the Council of Representatives on April 20, 2009.
- **National Elections Law:** A draft of a proposed national elections law is in committee but has not been finalized.

## POLITICAL - Refugee Update



- **Regional governments report hosting as many as 2 million Iraqi refugees.**
- **The International Organization for Migration (IOM) estimates that over 2.8 million Iraqis are displaced inside Iraq.**
- **In FY08, the State Department's Bureau of Population, Refugees and Migration contributed \$287.08 million to international organizations and nongovernmental organizations to assist displaced Iraqis inside the country and in the region.**
- **The U.S. admitted 13,823 Iraqi refugees in FY08 (which ended September 30).**
- **Since the program's inception in FY07, 33,187 Iraqi refugees have been admitted for U.S. resettlement; in FY09 alone, the U.S. seeks to admit a minimum of 17,000 Iraqi refugees.**
- **As of June 2009, a total of 770 Special Immigrant Visa (SIVs) have been issued for Iraqi translators and interpreters since FY08 (under the Section 1059 program).**
- **As of June 2009, a total of 2,081 SIVs have been issued for Iraqis employed by or on behalf of the U.S. government since FY08 (under the Section 1244 program).**
- **Secretary of State Hillary Clinton announced July 24 that the United States is contributing more than \$100 million in new assistance this year to support the return and reintegration of displaced Iraqis.**



# ECONOMIC – Oil

## Oil prices are rising, but exports and production remain below 2009 targets

Crude Oil Update:

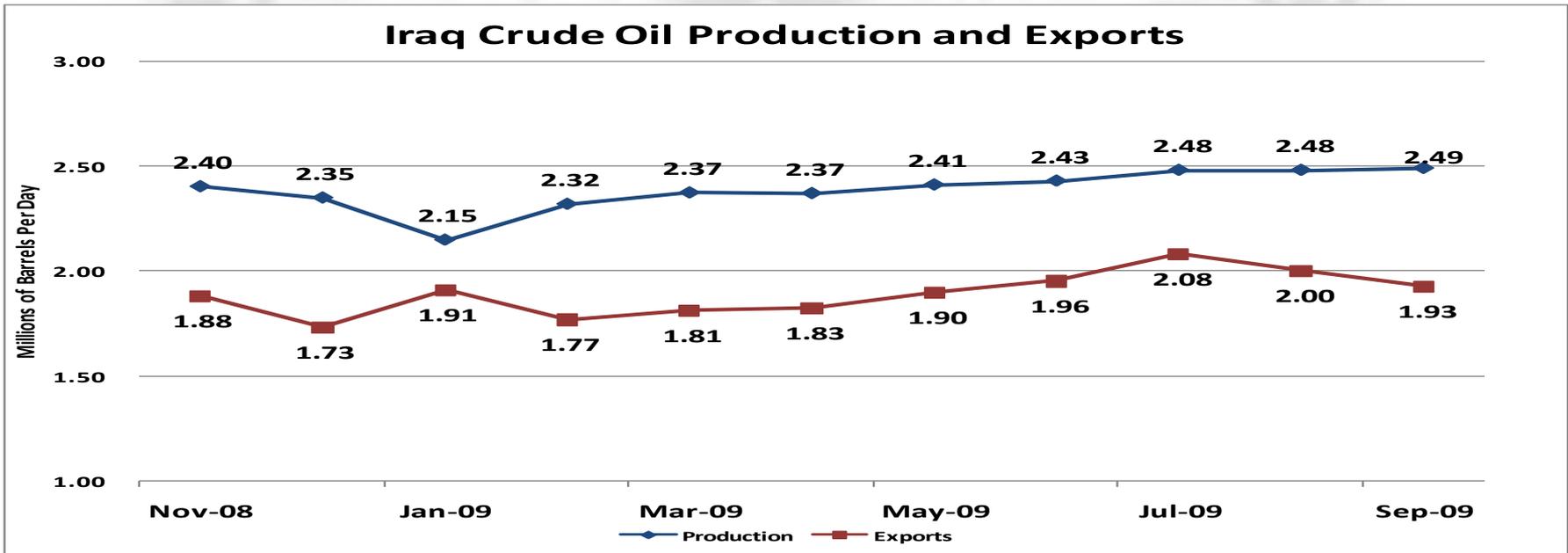
*Price averages in world markets closed with the following prices:*

Basrah Light at \$67.83/barrel

Dated Brent at \$68.62/barrel

WTI Cushing at \$70.91/barrel

Oman/Dubai at \$69.10/barrel



### Revenue estimates:

**2007: \$41.0 Billion**

**2008: \$61.9 Billion**

**2009 (ytd): \$23.1 Billion\***

\*New revenue formula is used for 2009 that is more accurate, if lower.



## ECONOMIC – Oil

### Ministry of Oil considers reoffering several fields from first bid round

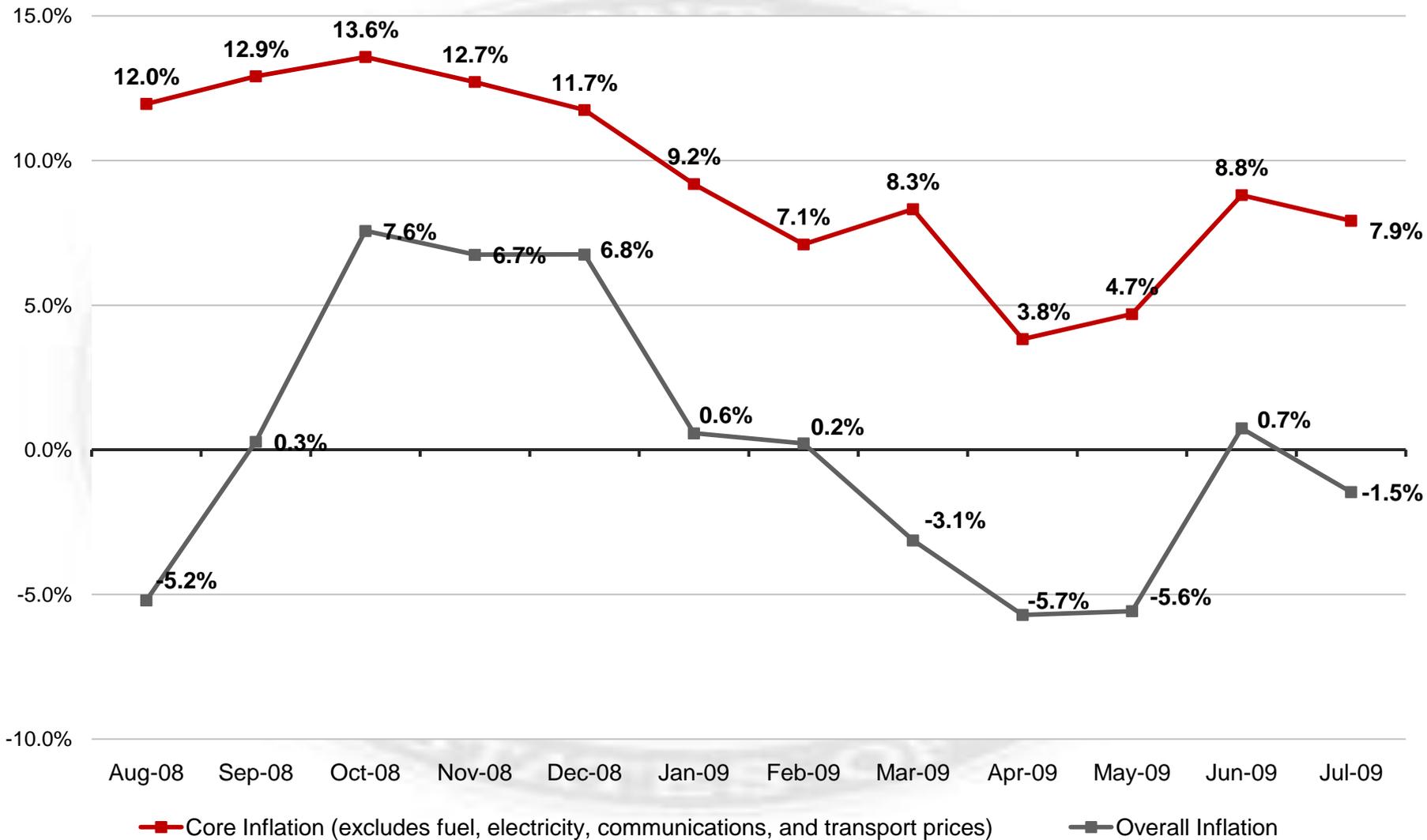
#### Untendered Oilfields from the First Bid Round May Be Offered Again:

- **Speaking from Vienna before an OPEC meeting, Minister of Oil Husayn al-Shahristani said Iraq is considering inviting the oil companies which made the most aggressive offers at its first oil and gas bid round to rebid for several of its largest oilfields. "The two or three companies who made the best offers will be invited to another round -- that is one option. I cannot say if we can make a decision by the end of this month but we have to make a decision soon," Shahristani said. The Minister also said Iraq had asked Japan's Nippon Oil Corporation to submit a revised offer to develop the Nassiriya oil field and was waiting for Nippon to come to Baghdad to submit its new offer. Nippon was competing against Italy's Eni SpA and Spain's Repsol for the engineering, procurement and construction contract. Shahristani said Repsol's bid was rejected because it did not meet all the requirements, particularly with respect to the time limit to develop the field, and no comment was made on whether Eni submitted a revised offer for the field.**

# ECONOMIC - Fiscal and Monetary Affairs



## Year-on-Year Inflation



## ECONOMIC – Fiscal and Monetary Affairs



Sound economic policies will help ensure Iraq maintains security and stability

Economic Indicator	This Week	Last Week	Last Month	Last Year
<b>Iraqi Commercial Bond Sales</b>				
Price (USD)	\$69.55	\$68.96	\$69.02	\$66.08
Yield	9.29%	9.37%	9.36%	10.96%

## ECONOMIC – Private Sector



### Iraq seeks to boost its agricultural sector through innovative projects

#### Prime Minister Approves Project to Produce Biofuel from Dates:

- **Prime Minister Nuri al-Maliki approved a project by an unnamed United Arab Emirates-based company to produce biofuel from leftover dates which are not suitable for export or feed. A statement released by the Iraqi cabinet said the project would support Iraq's economy by encouraging date farmers to expand their operations. No details about the company or the project were released.**

## ECONOMIC – Public Services - Electricity



### International power companies invited to electricity conference in Erbil

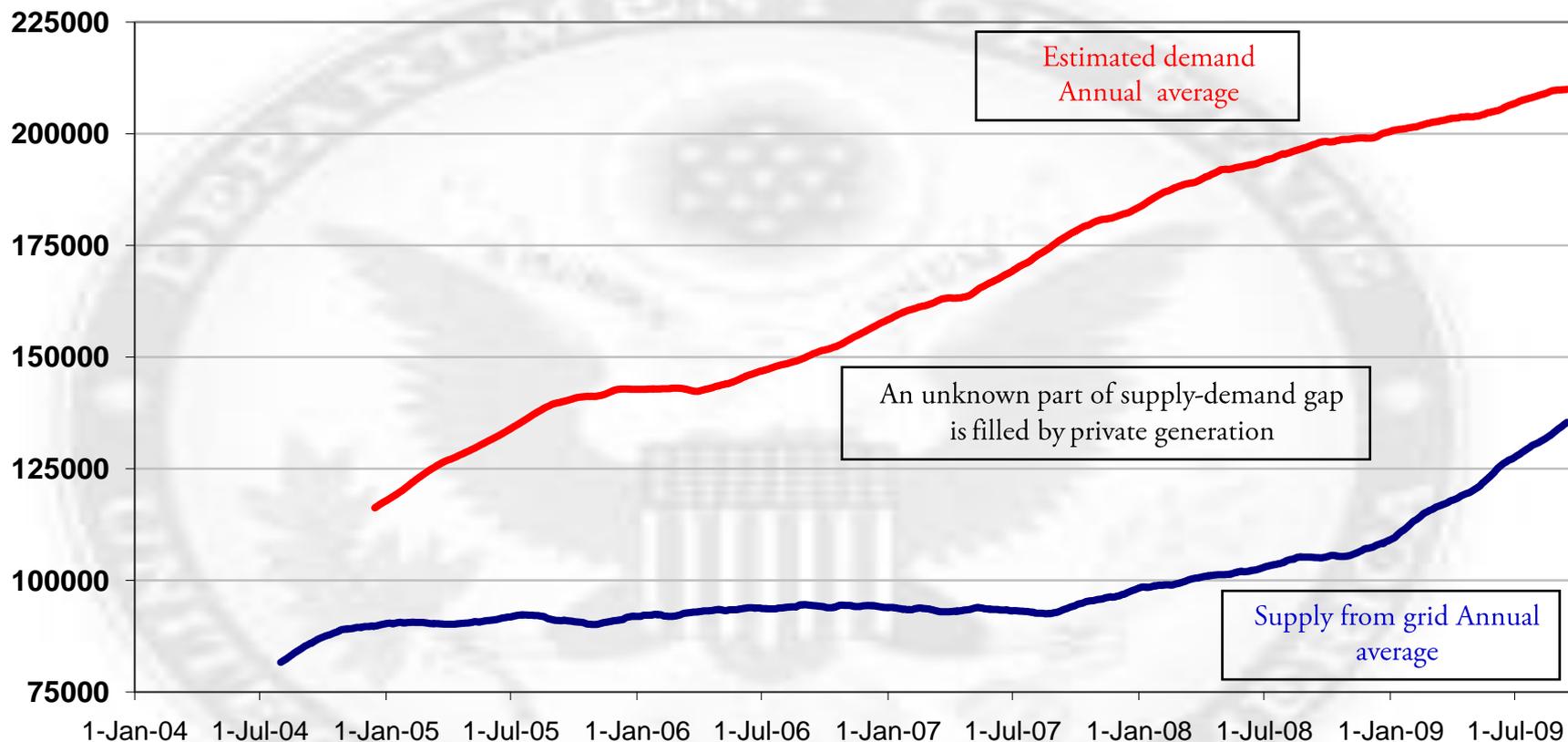
#### Iraq to Hold Electricity Conference in Erbil:

- **The Ministry of Electricity said September 14 it will hold a conference for international power companies September 26 to discuss its plans for short-term electricity projects. According to the statement on the Ministry’s website, the conference objectives include providing an overview of power stations that will be tendered and identifying sites, in accordance with the Ministry’s plans, to add more generating capacity. The aim of the conference is to “[attract] efficient and interested firms who have experience ... to work on construction and engineering for new plants.” The one-day conference will be held in Erbil and interested firms must apply no later than September 21 by emailing the Ministry.**

# Public Services – Electricity



Electricity Supply from the Grid and Estimated Demand:(MWh)



- Electricity supply from the grid September 9-15 was 39% above 2008 and met 67% of estimated demand, compared with 49% for the year earlier period.
- Supply has consistently increased year-on-year since September 2007, but growth accelerated in 2009. For September 2007-December 2008, it average 13%; for 2009 to date it has averaged 35%.

## Beyond Baghdad



Reconciliation Iftar dinner in Ninewa

### *Ninewa*

**“...we will help Iraq's institutions strengthen their capacity to protect the rule of law, confront corruption, and deliver basic services.”**

*President Barack Obama*

### *Recent Highlights*

PRT Ninewa hosted a “Reconciliation Iftar dinner” for 100 political, military, business, and ethnic leaders in an effort to promote mutual respect and understanding for the diverse people of the province. Guests endured the local security conditions in order to attend the dinner. The event was co-sponsored by the Mayor of Mosul, a Shi’a serving in a Sunni dominated government who had previously served in a Kurdish led government. The ethnically and religiously diverse dinner was addressed by the Provincial Council Deputy Chair who reminded guests that “Ninewa belongs to all its people.”

### *Salah ad Din*

The Tikrit Public Library will receive much needed supplies and reconstruction with the help of an upcoming redevelopment project. The new facility will include a children’s room, internet capabilities, and a multi-purpose room. The library has been an active partner with PRT Salah ad Din, hosting NGO meetings and collaborating on the My Arabic Library initiative.

### *Babil*

The ongoing drought in Babil Province is causing serious issues for residents and officials alike, including a law suit filed by the Provincial Council against the Water Resources Ministry citing unfair division of resources. A number of bottling plants have been shut down in the region due to health reasons, compounding the situation. Helping to alleviate the shortage, the PRT has delivered seven potable water tanker trucks as part of its anti-cholera campaign.

## DIPLOMATIC – Political Engagement



### Vice President Biden visits Iraq

#### Vice President Biden Visits Iraq:

- Vice President Biden arrived in Iraq on an unannounced visit September 15. Biden met with a number of Iraqi leaders, including President Jalal al-Talabani and Prime Minister Nuri al-Maliki. VP Biden also met with U.S. Commander in Iraq General Odierno and visited with U.S. troops.

#### Iraq Urges International Assistance in Preserving Antiquities:

- Iraq's Minister of Tourism and Antiquities, Qahtan Numanal-Jabburi, urged the international community to help Iraq preserve its vast archaeological sites, many of which are in danger. Jabburi stated that ancient Babylonian and Assyrian artifacts and priceless medieval Islamic monuments were at risk without additional funds. “International support is badly needed to complete works of maintenance, rehabilitation and training,” Jabburi told reporters. Greek, Egyptian, and Italian officials recently attended a meeting in Baghdad to launch Iraq's international appeal for help. According to the head of Iraq's tourism and antiquities board, Qais Hussein, the Iraqi government hopes to quickly begin preservation programs beginning with the al-Hadba minaret, the ancient archeological site of Namroud in Mosul, and the medieval Islamic city of Samarra.

## SECURITY – Situation Update



### Isolated high-profile attacks continue but fail to ignite sectarian conflict

#### **SVBIED Kills 20 in Northern Kurdish Village of Wardek:**

- **A suicide vehicle-borne improvised explosive device (SVBIED) explosion killed 20 people, wounded 27 others, and destroyed or damaged at least 25 houses in the northern Kurdish village of Wardek, approximately 18 miles east of Mosul, September 10. Local Iraqi Security Forces (ISF) fired on the driver of the truck when he refused to stop, but he was still able to detonate the explosives. Police reported a second suicide truck bomber attempted to detonate another VBIED; however, security forces were successful in killing the bomber before he detonated his explosives. “The ultimate aim of these bombings is to kill all Iraqis, not just Arabs or Kurds, everyone,” said Yahya Mahjoob, a member of the Nineveh provincial council. “They want to stir unrest, to sow the seeds of division among Iraqis. We won't accept that.”**

## SECURITY – Situation Transition



### The U.S. is helping to develop an independent Iraqi Air Force

#### U.S. Air Force Team to Assess the Future of Iraqi Air Sovereignty:

- **Directed by the Secretary of the Air Force, the U.S. Air Force recently dispatched an Air Sovereignty Assessment Team to Iraq. The focus of the team is to determine how to best bridge the gap between the U.S. Air Force's departure and Iraq achieving the organic capability and capacity to monitor, control, and if necessary defend its airspace. As of early September, the team met with the Iraqi Minister of Defense, the deputy commander of the Iraqi Air Force, the Iraqi Air Force staff, and U.S. advisors attached to Multi-National Security Transition Command-Iraq Iraqi Training and Advisory Mission- Air Force. "The goal is to make sure Iraq maintains sovereignty by bridging the gap after we leave," said Lt. Col. Daniel E. Rauch, deputy advisor from ITAM-Air Force to the Iraqi air staff for planning. "The accelerated schedule of the Security Agreement creates a period of time when Iraq does not possess the foundational capability to ensure air sovereignty or defend against the perceived threat."**



## CONTACT INFORMATION

**This brief draws from multiple sources. References are cited on the following pages.**

**For additional information, please see:**

- Department of State, Section 2207 Report on Iraq Relief and Reconstruction  
<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of State, Section 1227 Report on Iraq  
<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of Defense, Section 9010 Measuring Stability and Security in Iraq  
[http://www.defenselink.mil/home/features/Iraq\\_Reports/index.html](http://www.defenselink.mil/home/features/Iraq_Reports/index.html)

**Please forward all questions and/or comments to:**

**[NEA-I-IPOG-DL@state.gov](mailto:NEA-I-IPOG-DL@state.gov)**



## NOTES AND SOURCE CITATIONS (1 of 2)

- Slide 4:
- CNN, September 8, <http://www.cnn.com/2009/WORLD/meast/09/07/iraq.corruption/index.html#cnnSTCText>
- Slide 5:
- Reuters, September 12, <http://www.reuters.com/article/middleeastCrisis/idUSLC318417>
- Slides 6-8:
- Department of State, NEA/I Political Section, [NEA-I-POL-DL@state.gov](mailto:NEA-I-POL-DL@state.gov)
- Slide 9:
- Department of State, NEA/I Economic/Assistance Section, [NEA-I-ECON-DL@state.gov](mailto:NEA-I-ECON-DL@state.gov)
- Slide 10:
- Reuters, September 9, <http://www.reuters.com/article/rbssEnergyNews/idUSL9299320090909>: Wall Street Journal, September 9, <http://online.wsj.com/article/BT-CO-20090909-716184.html>
- Slide 11:
- Department of State, NEA/I Economic/Assistance Section, [NEA-I-ECON-DL@state.gov](mailto:NEA-I-ECON-DL@state.gov)
- Slide 12:
- Department of State, NEA/I Iraq Policy and Operations Group [NEA-I-IPOG-DL@state.gov](mailto:NEA-I-IPOG-DL@state.gov)
- Slide 13:
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- Slide 14:
- Reuters, September 14, <http://in.reuters.com/article/oilRpt/idINLE66851820090914>



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Slide 15:

- Department of State, NEA/I Economic/Assistance Section, NEA-I-ECON-DL@state.gov

Slide 16

- Source for Stories:
- -PRT Weekly Summary August 30 – September 5, 2009
- -Source for President Obama's Quote: [http://www.whitehouse.gov/the\\_press\\_office/Remarks-of-President-Barack-Obama-Responsibly-Ending-the-War-in-Iraq/](http://www.whitehouse.gov/the_press_office/Remarks-of-President-Barack-Obama-Responsibly-Ending-the-War-in-Iraq/)

Slide 17:

- Reuters, September 15, <http://www.reuters.com/article/topNews/idUSTRE58E32Y20090915>
- Reuters, September 11, [http://thestar.com.my/news/story.asp?file=/2009/9/11/worldupdates/2009-09-11T150806Z\\_01\\_NOOTR\\_RTRMDNC\\_0\\_-423743-2&sec=Worldupdates](http://thestar.com.my/news/story.asp?file=/2009/9/11/worldupdates/2009-09-11T150806Z_01_NOOTR_RTRMDNC_0_-423743-2&sec=Worldupdates)

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- AP, September 10, [http://www.google.com/hostednews/ap/article/ALeqM5hwK\\_CSpBxsNuVUEaDuOwmSSCiqGwD9AKFUVO5](http://www.google.com/hostednews/ap/article/ALeqM5hwK_CSpBxsNuVUEaDuOwmSSCiqGwD9AKFUVO5); Reuters, September 10, <http://www.reuters.com/article/worldNews/idUSTRE5890MQ20090910>

Slide 19:

- MNF-I, September 10, [http://www.mnf-iraq.com/index.php?option=com\\_content&task=view&id=27846&Itemid=21](http://www.mnf-iraq.com/index.php?option=com_content&task=view&id=27846&Itemid=21)